

IN THE UNITED STATES DISTRICT COURT FOR THE
MIDDLE DISTRICT OF NORTH CAROLINA

EPCON COMMUNITIES CAROLINAS, LLC,)
and EPCON FARRINGTON LLC,)

Plaintiffs,)

v.)

IRIS M. TILLEY, THOMAS E. TILLEY,)
MELBA GEORGE, BARBARA WRIGHT,)
and UNITED STATES OF AMERICA,)

Defendants,)

UNITED STATES OF AMERICA,)

Counter-Claimant,)

v.)

EPCON COMMUNITIES CAROLINAS, LLC,)
and EPCON FARRINGTON, LLC,)

Counter-Defendants,)

BARBARA WRIGHT,)

Cross-Claimant,)

v.)

UNITED STATES OF AMERICA,)

Cross-Defendant.)

1:11CV643

RECOMMENDATION OF
UNITED STATES MAGISTRATE JUDGE

This matter comes before the Court on the Government's proposed order for the
disbursement of interpleaded funds [Doc. #106]. As set out in the Court's Order dated

January 8, 2016 [Doc. #105], Plaintiffs Epcon Communities Carolinas, LLC and Epcon Farrington, LLC (the “Epcon Plaintiffs”) deposited \$2,025,000.00 in interpleaded funds with the Clerk of Court pursuant to a settlement agreement. As a result, the Epcon Plaintiffs were terminated from the case, leaving Defendants United States, Thomas and Iris Tilley (“Mr. and Mrs. Tilley”), Melba George (“Ms. George”) and Barbara Wright (“Ms. Wright”) as potential claimants to the funds.

As noted in the January 8 Order, it subsequently appeared that the United States and Mr. Tilley both contemplated that the interpleaded funds should be disbursed to the United States and applied to Mr. Tilley’s criminal restitution obligations in United States v. Thomas E. Tilley, 1:14CR130 (M.D.N.C. 2015). Moreover, it also appeared that Ms. George, Ms. Wright, and Mrs. Tilley had disclaimed or denied any separate interest in the interpleaded funds. The Court therefore noted an intent to recommend that the interpleaded funds be disbursed to the United States and credited to Mr. Tilley’s restitution obligation in Case No. 1:14CR130. The Court set a deadline of February 8, 2016, for any party to file objections to that disbursement or competing claims to the interpleaded funds. No objections or claims have been filed.

Therefore, for the reasons set out in the January 8, 2016 Order, and without objections or contrary claims of any party, the Court will recommend that the interpleaded funds in the amount of \$2,025,000, as well as any accrued interest under Local Rule 67.1, be disbursed to the United States, that such amount be credited toward the restitution obligations of Mr. Thomas Tilley in the Judgment in United States v. Tilley, Case Number 1:14CR130 (M.D.N.C. 2015), and that final judgment be entered dismissing this action on that disbursement order.

IT IS THEREFORE RECOMMENDED that the Clerk be directed to disburse the interpleaded funds in the amount of \$2,025,000, as well as any accrued interest under Local Rule 67.1, to the Internal Revenue Service—RACS, Attn: Mail Stop 6261, Restitution, 333 W. Pershing Avenue, Kansas City, Missouri, 64108, and that such funds be credited toward Thomas Tilley's restitution obligations in the Judgment in United States v. Tilley, Case Number 1:14CR130 (M.D.N.C. 2015), and that final judgment be entered dismissing this action on that disbursement order.

This, the 19th day of February, 2016.

/s/ Joi Elizabeth Peake
United States Magistrate Judge